

**WATER SUPPLY FORUM
FUNDING AGREEMENT
(2016-2020)**

This FUNDING AGREEMENT ("Agreement"), is made and entered into by and among the City of Seattle; the City of Everett (also on behalf of the Everett Water Utility Committee); the City of Tacoma ("Tacoma"); the Regional Water Cooperative of Pierce County; the East King County Regional Water Association; the Cascade Water Alliance; and King County; each individually referred to as a "Party" and collectively referred to in this Agreement together as the "Parties."

Recitals

WHEREAS, the Water Supply Forum (hereinafter "Forum"), that includes the entities and organizations above identified, is engaged in various projects and action items to further the Forum members' mutual interests in present and future water issues, and

WHEREAS, the Forum members previously entered into Funding Agreements to cooperatively fund an identified list of action items from 2004 through 2015 in accordance with an identified budget and identified contribution levels, which agreements also provided that Tacoma would undertake to administer the Forum funds and consulting contracts, and

WHEREAS, the 2011 Project Funding Agreement will expire on December 31, 2015, yet the Forum wishes to continue to develop and cooperatively fund additional activities consistent with the mutual interest of the Forum's members, and

WHEREAS, the Forum recognizes that consultant assistance will be required from time to time to complete anticipated activities and projects, and

WHEREAS the members of the Forum executing this Agreement believe that continued administration of Forum funds and consulting contracts by Tacoma, and the completion of agreed-upon projects are in the best interests of their respective organizations and agree to provide financial support;

NOW, THEREFORE, the Parties do agree as follows:

1. Administrative Structure and Agreement to Fund.

a. Tacoma shall administer the Forum funds and consulting contracts in accordance with its usual procedures, and without liability for interest on Forum funds.

b. The funds shall be used only for the work that is specified in the mutually adopted Action Item and Budget Plan described below.

c. Each signatory to this Agreement shall contribute its share of the funds identified in a mutually adopted Action Item and Budget Plan.

d. The Forum shall use the Forum's Rules for Conduct of Business specified in Exhibit A (attached hereto and incorporated herein).

2. Action Item and Budget Plan.

a. On an annual basis, the Forum will adopt a formal Action Item and Budget Plan that will include a list of approved action items, together with proposed budgets for each, and a schedule of funding shares "dues" from the Forum members for the period covered by the Action Item and Budget Plan.

3. Obligations Not Joint and Several. Each Party's liability for any obligation incurred pursuant to this Agreement shall be limited to the proportional funding share identified in the formally adopted Action Item and Budget Plan. The Parties shall not be jointly or severally liable for any such liabilities or obligations. Any contract funded by this Agreement shall contain a provision to this effect.

4. Billing and Payment.

a. Tacoma shall be responsible for billing each financially responsible Party for its respective share of each formally adopted Action Item and Budget Plan upon adoption.

b. Each financially responsible Party shall pay Tacoma within 60 days of receipt of invoice.

c. The financially responsible Parties represent that funds for the formally adopted Action Item and Budget Plan in Exhibit B are available for the 2016 fiscal year. To the extent that the adopted Action Item and Budget Plan requires future appropriations beyond current appropriation authority, the obligations of each of the financially responsible Parties are contingent upon the appropriation of sufficient funds by that Party's authorizing body to fund the activities described therein. If no such appropriation is made, that Party shall not be required to provide funds for that fiscal year's Action Item and Budget Plan.

5. Ownership of Work Product. All work products generated during the projects authorized under the Action Item and Budget Plan shall be the property of the Parties and each of them.

6. Counterparts. This Agreement may be executed in counterparts.

7. Indemnity and Hold Harmless. Each Party shall protect, defend, indemnify, and save harmless the other Parties, their officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgments, and/or awards of damages, arising out of, or in any way resulting from, such Party's own negligent acts or omissions in the performance of this Agreement. Each Party agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents against another Party. For this purpose, each Party, by

mutual negotiation, hereby waives, with respect to the other Parties only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event that any Party incurs any judgment, awards, and/or cost arising therefrom, including attorneys' fees, to enforce the provisions of this Section, all such fees, expenses, and costs shall be recoverable from the responsible Party to the extent of that Party's culpability as fixed by a court of competent jurisdiction.

8. Term. This Agreement shall become effective upon being signed by the three major city members, Everett, Seattle, and Tacoma, and upon such occurrence shall be binding on all signators hereto, whether signing before or after such occurrence. The term of this Agreement shall be through December 31, 2020, unless terminated sooner by mutual agreement. Upon termination, any unexpended funds will be returned to the contributing Parties in proportion to their contributions.

9. Entire Agreement. This Agreement contains the entire agreement between the Parties as to the services to be rendered hereunder. All previous and contemporaneous agreements, representations, or promises and conditions relating to the subject matter of this Agreement are superseded hereby. If any terms, condition or provision of this Agreement is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable.

10. Sole Venue. The Parties agree and stipulate that in the event any litigation should occur concerning or arising out of this Agreement, the sole venue of any legal action shall be the Pierce County Superior Court of the State of Washington and the interpretation of the terms of the Agreement shall be governed by the laws of the State of Washington.

11. Taxes. Each Party agrees that to the extent any taxes or charges are deemed applicable to the services performed under this Agreement, and if Tacoma is assessed, made liable, or responsible in any manner for such charges or taxes, the Parties shall pay in accordance with the proportional payments for each Party, as specified in Section 2.

12. Conflict of Interest. No officer, employee or agent of any Party who exercises any function or responsibilities in connection with the planning and carrying out of the program to which this Agreement pertains, nor any member of the immediate family of any such officer, employee or agent as defined by Tacoma ordinance, shall have any personal financial interest, direct or indirect, in this Agreement, either in fact or in appearance.

//

//

//

13. Acceptance. Acceptance of this Agreement by Tacoma and each Party is indicated by authorized signatures below.

Done this 31st day of December, 2015

City of Tacoma, Tacoma Public Utilities
Water Division, dba Tacoma Water

Linda McCrea
Linda McCrea, Water Superintendent

Approved as to Form & Legality:

W. Foster
Chief Assistant City Attorney

City of Seattle, Seattle Public Utilities

[Signature]
Finance Director
DT

By:

Regional Water Cooperative of Pierce County

By:

City of Everett

Ray Stephenson
By:

East King County Regional Water Association

By:

Cascade Water Alliance

By:

King County

By:

APPROVED AS TO FORM

James D. Iles
JAMES D. ILES, City Attorney

ATTEST:

Sharon Jule
City Clerk

13. Acceptance. Acceptance of this Agreement by Tacoma and each Party is indicated by authorized signatures below.

Done this 31st day of December, 2015

City of Tacoma, Tacoma Public Utilities
Water Division, dba Tacoma Water

Linda McCrea
Linda McCrea, Water Superintendent

Approved as to Form & Legality:

W. Foshe
Chief Assistant City Attorney

City of Seattle, Seattle Public Utilities

[Signature]
Finance Director

By:

Regional Water Cooperative of Pierce County

By:

City of Everett

By:

East King County Regional Water Association

By:

Cascade Water Alliance

By:

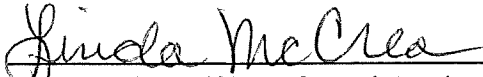
King County

By:

13. Acceptance. Acceptance of this Agreement by Tacoma and each Party is indicated by authorized signatures below.

Done this 31st day of December, 2015

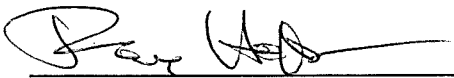
City of Tacoma, Tacoma Public Utilities
Water Division, dba Tacoma Water


Linda McCrea, Water Superintendent

Approved as to Form & Legality:


Chief Assistant City Attorney

City of Seattle, Seattle Public Utilities


By: RAY HOFFMAN, DIRECTOR

Finance Director



Regional Water Cooperative of Pierce County

By:

City of Everett

By:

East King County Regional Water Association

By:

Cascade Water Alliance

By:

King County

By:

13. Acceptance. Acceptance of this Agreement by Tacoma and each Party is indicated by authorized signatures below.

Done this 31st day of December, 2015

City of Tacoma, Tacoma Public Utilities
Water Division, dba Tacoma Water

Linda McCrea
Linda McCrea, Water Superintendent

Approved as to Form & Legality:

W Foster
Chief Assistant City Attorney

City of Seattle, Seattle Public Utilities

[Signature]
Finance Director
DT

By:

Regional Water Cooperative of Pierce County

Larry Jones
By: Larry Jones, President

City of Everett

By:

East King County Regional Water Association

By:

Cascade Water Alliance

By:

King County

By:

Done this 31st day of December, 2015

Linda McCrea
Linda McCrea, Water Superintendent



Chief Assistant City Attorney

Chief Assistant City Attorney

Finance Director

DI

Regional Water Cooperative of Pierce County

City of Everett

East King County Regional Water Association

By: Walter M. Linter

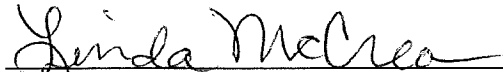
By:

By:

13. Acceptance. Acceptance of this Agreement by Tacoma and each Party is indicated by authorized signatures below.

Done this 31st day of December, 2015

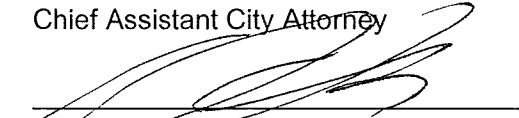
City of Tacoma, Tacoma Public Utilities
Water Division, dba Tacoma Water


Linda McCrea, Water Superintendent

Approved as to Form & Legality:


Chief Assistant City Attorney

City of Seattle, Seattle Public Utilities


Finance Director
DT

By:

Regional Water Cooperative of Pierce County

By:

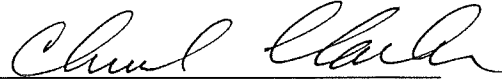
City of Everett

By:

East King County Regional Water Association

By:

Cascade Water Alliance


By:

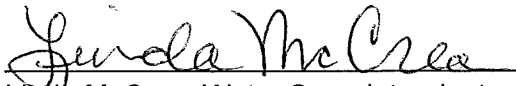
King County

By:

13. Acceptance. Acceptance of this Agreement by Tacoma and each Party is indicated by authorized signatures below.

Done this 31st day of December, 2015

City of Tacoma, Tacoma Public Utilities
Water Division, dba Tacoma Water


Linda McCrea, Water Superintendent

Approved as to Form & Legality:


Chief Assistant City Attorney

City of Seattle, Seattle Public Utilities


Finance Director
DT

By: _____

Regional Water Cooperative of Pierce County

By: _____

City of Everett

By: _____

East King County Regional Water Association

By: _____

Cascade Water Alliance

By: _____

King County

By: 

PAN ELARDO
KING COUNTY WTD DIRECTOR

EXHIBIT A
Central Puget Sound Water Suppliers Forum
Rules for Conduct of Business

Adopted as Revised 10/22/15

1. Membership

a) The members of the Forum are the designated representatives of the organizations listed below:

- Everett
- Seattle
- Tacoma
- Cascade Water Alliance
- East King County Regional Water Association
- Everett Water Utility Committee
- Regional Water Cooperative of Pierce County
- King County

Additional representatives can be named for committee assignments or as alternates.

b) Beginning in 2016, individual utilities may be added to the membership if they have 15,000 or more connections and agree to pay dues of \$.60 per connection.

2. Voting/Financial Responsibility

a) To be a voting member (in contrast to an observer member), the organization must be current in the payment (within 90 days of notice) of any dues or assessments that the Forum agrees to require. If a member chooses to not make payment, they will be invited to continue to participate in an observer status.

b) Allocation of the annual budget shall be made between the members within Pierce, King, and Snohomish Counties on the basis of 25 percent to Pierce County, 50 percent to King County, and 25 percent to Snohomish County. Within each county, the members shall allocate the dues shares among members within that county.

c) Adoption of any item requiring a formal vote/decision will require the three major city members (Everett, Seattle, Tacoma) to agree along with a simple majority of the other voting members. A consensus positive vote will be the objective for all actions.

d) Any item that obligates a member to incur direct cost or a formal public position on a topic will require a formal vote.

3. Forum Officers and Committees

- a) The Forum Chair and Vice-Chair are elected by simple majority of Forum membership every two years with the term starting in the even numbered years.
- b) The number of committees will be established through the budget process.
- c) Committee Chairs will be appointed by the Forum Chair and confirmed by the Forum membership.

4. Representation/Interim Decisions

The Forum may participate in public discussions and present adopted Forum positions. In addition, minority positions of Forum members shall be expressed.

- a) Due to the dynamics of the legislative process and the frequency of meetings, the Forum may be asked to respond, testify, or be represented at a meeting or hearing. Forum members providing Forum viewpoints shall convey both the majority and minority opinions, if both exist. Presentations must be consistent with written or verbal instructions discussed at the Forum meeting. A summary of all official representations for the Forum and/or communications must be communicated back to all Forum members via e-mail or fax, if such information was not previously reviewed by the Forum.
- b) The representative will normally be the Forum Chair or Vice-Chair, or one of the Committee Chairs or Co-Chairs. The Forum Chair may ask or authorize another person to represent the Forum if he/she determines that it is necessary.
- c) The Forum will coordinate all of its legislative communications with the Washington Water Utility Council and seek to have common positions on areas of common interest as appropriate.
- d) Where consensus on an issue is not reached, the Forum will present the majority view and the minority view. Each Forum member is expected to present its own agency's views and to clearly communicate them to the Forum if they differ significantly from the Forum's majority recommendations.

5. Meeting Protocol

- a) All meetings of the Forum and its Committees will follow a consensus approach with Roberts Rules of Order guiding the meeting (and limiting debate, if necessary). Formal voting will be used only when required.
- b) Time is valuable and, therefore, all members will respect the time limits for all agenda items set by the Forum or Meeting Chair. The Chair is responsible for limiting debate and should

direct alternative assignments to resolve issues between a sub-set of members if the issue is not important to a majority of the Forum members attending.

c) A meeting start and finish time will be set by the Chair and followed unless a majority of the members attending agree to a modified schedule. The Chairs will establish the meeting time and location.

Water Supply Forum -----

EXHIBIT B

Approve 10/22/15

Action Item and Budget Plan for 2016/17

Estimated Beginning Balance (12/31/15)

\$ 75K

1. Steering Committee. Chair: Jim Miller

Members: Bob P., Ken H., Ray H., Chuck C., Linda M., Elaine K.

- A. Regional Meetings – Admin Support

2016/17 Budget

\$10K

Subtotal= \$10K

2. Source and Environmental Stewardship Committee. Chair: Ken Howe

Members: Larry J., Bob P., Jim M., Michael G., Paul Fleming, Chris M.

- A. Track and engage in climate change and Green House Gas (GHG) discussions. 0K
- B. Regional Resiliency Planning; Phase II&III est. is \$ 300K; Phase I paid in 2016 = \$ 55K 355K
- C. Regional Earthquake Outreach Forum Poster(s) 5K
- D. Update Intertie Data on GIS 0K

Subtotal = 360K

3. Communications and Conservation Committee. Chair: Elaine Kraft

Members: Bob P., Marla C., Nora D., Karen R.

- A. Resiliency Project Outreach Program 30K
- B. Web site maintenance and update. 20K
- C. Public Outreach Activities:
 - 1. Water link (3 Issues) 20K
 - 2. E-Blast (4) 10K
 - 3. Workshop Support (e.g. financial, small systems, emergencies) 10K
 - 4. Social Media Development 10K
- D. Support a Partnership for Water Conservation Project. 0K

Subtotal = 100K

Total 2016/17 Budget

\$ 470K

Proposed revenue from Dues in 2016/17 @ 3X base rate of \$72K = \$216K/yr

\$432K

Estimated Ending Balance (12/31/17)

\$ 37K

EXHIBIT C
Water Supply Forum
Schedule of Funding Shares (DUES)
2016

<u>UTILITY</u>	<u>DUES</u>
a. Everett (Snohomish)	\$54,000.00
b. Seattle (King)	\$75,000.00
c. The Cascade Water Alliance (King)	\$19,000.00
d. King County(King)	\$12,000.00
e. East King County Regional Water Association (King)	\$2,000.00
f. Tacoma (Pierce)	\$50,000.00
g. Regional Water Cooperative of Pierce County (Pierce)	\$4,000.00
h. Everett Water Utility Committee (Snohomish) (Paid by Everett)	\$0.00
Subtotals:	
Snohomish (25%)	\$54,000.00
King (50%)	\$108,000.00
Pierce (25%)	\$54,000.00
TOTAL:	\$216,000.00

Agreement

EVERETT CITY COUNCIL AGENDA ITEM COVER SHEET

PROJECT TITLE:

Water Supply Forum
Funding Agreement for
(2016-2020)

____ Briefing
____ Proposed Action
____ Consent
☒ Action
____ First Reading
____ Second Reading
____ Third Reading
____ Public Hearing

COUNCIL BILL #

Originating Department

Contact Person

Phone Number

FOR AGENDA OF

Public Works

Jim Miller

425-257-8880

December 16, 2015

Initialed by:

Department Head

CAA

Council President

db
AO

Location

Snohomish, King, and
Pierce counties

Preceding Action

Approved Funding
Agreement 2011-15,
January-2011

Attachments

Funding Agreement

Department(s) Approval

Public Works, Legal

Amount Budgeted	\$60,000.	
Expenditure Required	54,000.	Account Number(s):401-5600-121923410
Budget Remaining	6,000.	
Additional Required	-0-	

DETAILED SUMMARY STATEMENT:

The City of Everett, as a major regional water supplier, joined with other regional suppliers in the Snohomish, King, and Pierce county areas to form the Water Supply Forum over 15 years ago. The Forum coordinates and performs regional water supply-related activities. It recently is nearing completion of the first phase of the "Regional Water Supply Resiliency Project". Its ongoing activities include updating a regional drought and fish response plan and a public information outreach on regional water issues. The term of this agreement is for five-years, ending December 31, 2020. The annual dues for the eight members of the Forum are established each year depending on the annual work plan and available balance. For 2016, the annual dues will be \$216,000 of which \$54,000 has been allocated to the City of Everett.

RECOMMENDATION (Exact action requested of Council):

Authorize the Mayor to sign the 5-year Water Supply Forum Agreement to coordinate and perform regional water-supply related activities.

Council approved
on 12/16/15 st